GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1803
ANSWERED ON:10.12.2004
EXEMPTION OF CONCENTRATED MILK FROM EXCISE DUTY
Singh Shri Kirti Vardhan;Vijay Krishna Shri

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has fully exempted concentrated milk from excise duty;

(b) if so, the details thereof;

(c) whether after such move the prices of milk in the country will come down;

(d) if not, the steps taken by the government to ensure that benefits are equally shared by dairy farmers and consumers in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir. Concentrated milk, not containing any sweetening material Has been fully exempted from excise duty.

(b) The exemption has been extended vide notification No.47/2004-Central Excise dated 9.9.2004.(c) & (d) The sale price of a commodity depends on various factors, such as, demand and supply position, transportation and labour costs, state of the domestic industry, rate of inflation etc. However, the above exemption is expected to provide necessary support to the dairy sector and enable them to tap the full marketing potential of milk.